



## IRAN DEMOCRACY MONITOR

The American Foreign Policy Council's Review of  
Radicalism and Reform in Islamic Republic of Iran

# Iran Democracy Monitor No. 212

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**Related Categories:** Democracy and Governance; Human Rights and Humanitarian Issues; Iran; Israel; Middle East

## IRAN'S DEEPENING ECONOMIC WOES

The Trump administration's "maximum pressure" campaign against the Islamic Republic is continuing to bite. According to a new update from the International Monetary Fund, Iran's total debt will reach \$260 billion by the end of 2020, equivalent to 44% of the country's GDP and 2.2 times more than it was in 2018, before the reimposition of U.S. sanctions. The Iranian regime, the survey notes, now faces a growing financial deficit propelled by dwindling exports of oil - of which the Iranian regime had budgeted to sell 1.5 million barrels daily, but failed to generate even half that figure. The IMF now projects the Iranian economy will constrict by 4.5% in non-oil sectors, and a further 8.5% in its energy sector, by the end of this year. (*Radio Farda*, October 20, 2020)

## A STRENGTHENING IRANIAN HAND IN YEMEN...

Violence between the Iranian-backed Houthi rebels and the Saudi-backed Yemeni government has escalated dramatically in recent weeks, further disrupting the already-tenuous peace process in the southern Gulf nation. Much of the instability is attributable to Iranian machinations; Iran has attempted to shift the nation's political balance by installing a former officer from the IRGC's feared Qods Force as its Ambassador to Yemen, and stationing him in Sana'a with the Houthis. The Yemeni government has called on the UN to condemn Iran for its meddling, which violates a number of standing Security Council resolutions. The Yemeni government fears that Iran will exploit the current turmoil to increase its influence in the country and expand the power of its proxy. (*Wall Street Journal*, October 11, 2020; *Asharq al-Awsat*, October 20, 2020)

## ...AND A CHANGING FOOTHOLD IN SYRIA

What's the current state of Iran's presence in Syria? In recent years, Iranian assistance to the beleaguered regime of Bashar al-Assad has been a hallmark of Syria's long-running civil war, with the Islamic Republic deploying military personnel as well as associated irregulars in order to prop Assad's grip on power in the country. With the wind-down of the Syrian civil war over the past year, however, Tehran's footprint on the territory of its regional partner has shifted significantly.

Writing for the Atlantic Council, analyst Navvar Saban notes that "with the decrease of military operations, Iran began searching for new ways to enhance its control and influence in different Syrian provinces, especially after its success in infiltrating the regime's army and security apparatus." These include the infiltration of Syrian society (via charitable organizations and other entities), a larger presence in the country's economic sector, and the establishment of educational and cultural centers. The aggregate result is pronounced. "Iran is in Syria for the long term and is taking the time it needs to get results," Saban notes. (Atlantic Council, November 5, 2020)

## THE HUMAN RIGHTS ISSUE COMES OF AGE

The Trump administration's "maximum pressure" strategy is expanding to include serious human rights pressure. This week, the Administration levied extensive new sanctions against the Iranian regime for its role in suppressing the November 2019 grassroots protests in Iran. Among those targeted by the new Treasury Department measures were a number of IRGC officials directly involved in repressing the protests, as well as Iranian Intelligence Minister Mahmoud Alavi for his oversight of the crackdown, which resulted in a death toll of 1,500 or more. The new Administration measures also took aim at the *Bonyad Mostazafan*, a sprawling economic foundation linked to the office of Supreme Leader Ali Khamenei. In announcing the measures, U.S. Treasury Secretary Steven Mnuchin outlined that the U.S. "will continue to target key officials and revenue-generating sources that enable the regime's ongoing repression of its own people." (Reuters, November 18, 2020)

## REGIONAL JITTERS OVER A POTENTIAL U.S. U-TURN

The apparent electoral victory of former Vice President Joe Biden in this month's U.S. presidential election has raised the specter that the United States might soon return to the 2015 nuclear deal with Iran - a development that America's regional allies in the Mideast vehemently oppose. Israel's U.S. envoy, Ron Dermer, has termed such a potential move a "mistake" - and counseled the president-elect "to not go back into the same deal." For his part, Saudi Arabia's former intelligence chief, Prince Turki al-Faisal, has counseled the incoming Biden administration to hold out for a more comprehensive bargain with Iran. "[D]o not repeat the mistakes and shortcomings of the first deal," Prince Turki said in public remarks in Riyadh. "Any non-comprehensive deal will not achieve lasting peace and security in our region." (*Times of Israel*, November 16, 2020; *Al-Arabiya*, November 17, 2020)